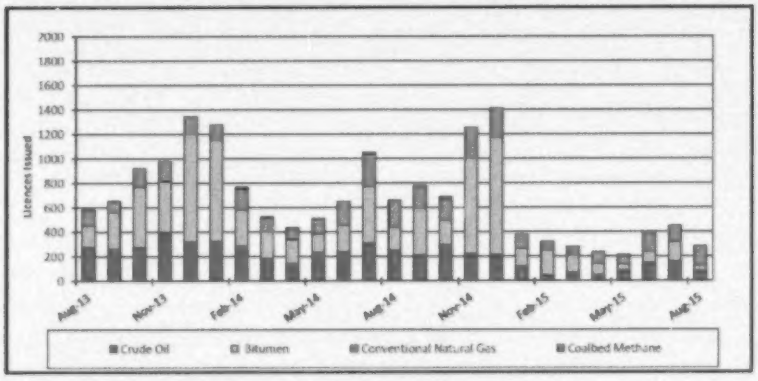
November 2015 Industry Activity Report

Monthly Well Licences



The Alberta Energy Regulator issued 282 well licenses in August 2015, down 57% from the 660 well licences issued in August 2014.

There were 81 licences issued for crude oil in August 2015, down 67% from the 244 crude oil licences issued in August 2014.

96% of the crude oil licences issued in August 2015 were for horizontal wells, up 8% from this time last year.

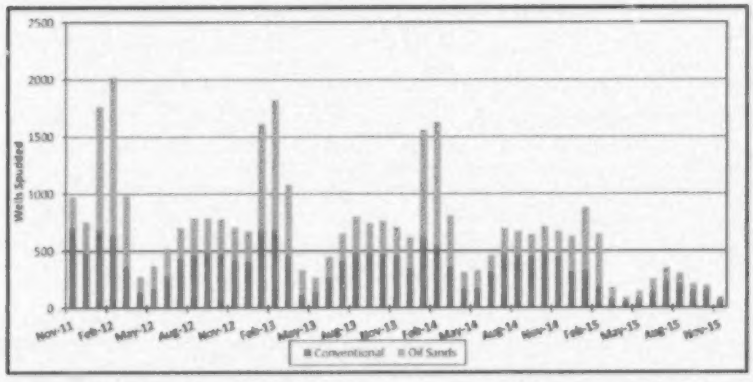
There were 159 natural gas well licenses (excluding CBM) issued in August 2015, 28% lower than the 220 licences reported in August 2014.

90% of natural gas well licenses issued in August 2015 were for horizontal wells, 15% higher compared to August 2014.

AUGUST 2015			
Licenced Wells	Drilling Type	Total Licences	Per cent of Total Licences
Natural Gas	Horizontal	143	56%
	Vertical/Direct	16	
Coal Bed Methane	Horizontal	-	
	Vertical/Direct	-	
Crude Oil	Horizontal	78	29%
	Vertical/Direct	3	
Bitumen	Horizontal	23	15%
	Vertical/Direct	14	
	Evaluation	5	
Total		**282**	**100%**

Source: Alberta Energy Regulator

Alberta Wells Spudded (estimates)



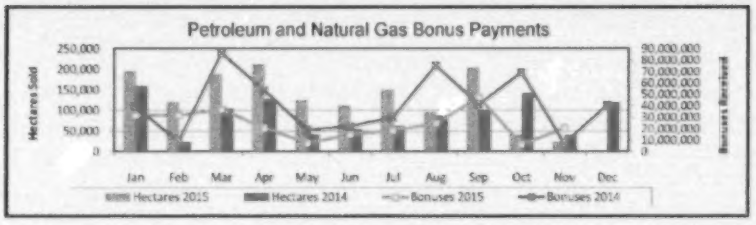
With a total of 94 spuds for the month of November 2015, activity has dropped 86% as compared to September 2014 when there were 676 spuds.

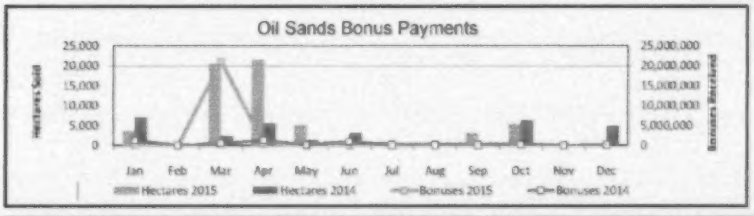
So far this year YTD, spuds for conventional wells are down 63% while oil sands spuds are down 57%.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2011	Conventional	760	708	532	110	181	339	575	679	690	678	701	484	6,437
	Oil Sands	1052	1295	786	131	153	186	237	289	329	277	273	273	5,281
2012	Conventional	686	637	358	136	169	278	431	466	481	472	422	408	4,944
	Oil Sands	1079	1385	622	140	206	241	273	319	303	310	285	267	5,430
2013	Conventional	688	683	451	112	138	266	413	485	480	471	458	344	4,989
	Oil Sands	928	1143	628	227	132	186	241	316	267	294	248	274	4,884
2014	Conventional	617	551	356	164	173	317	475	463	452	491	447	311	4,817
	Oil Sands	944	1081	455	155	161	141	223	209	193	225	229	315	4,332
2015	Conventional	329	185	75	52	76	142	240	207	152	153	63		1,674
	Oil Sands	555	465	107	43	76	114	112	103	65	48	31		1,719

Source: Alberta Energy Regulator

Petroleum & Natural Gas & Oil Sands Land Sales





Bonuses received from the petroleum and natural gas land sales held in November 2015 totalled $21 million with an average price per hectare of $893. Oil Sands land sales was not held in November, 2015.

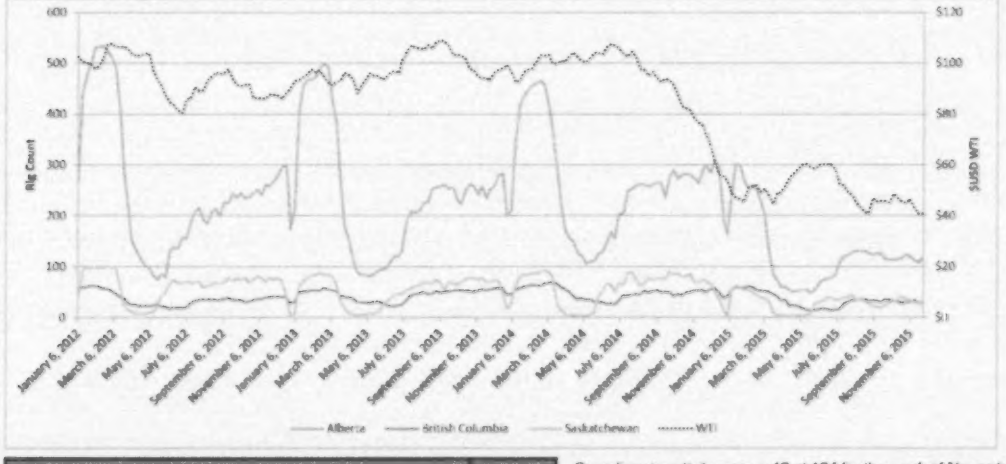
Between January and November 2015, Alberta received about $264 million on 1.53 million hectares of mineral rights sold, compared to $449 million received on 965 thousand hectares sold in 2014. Average crown land prices have decreased from $325/hectare in 2014 to $274/hectare in 2015.

Petroleum and Natural Gas Rights	Nov-15	Nov-14	YTD 2015	YTD 2014
Bonuses	$20,590,585.00	$6,981,570.49	$260,324,522.21	$449,212,241.56
Hectares	23057.00	39507.04	1468816.11	938999.52
Average Price per Hectare (Cdn$)	$893.03	$176.72	$177.23	$478.39

Oil Sands Rights	Nov-15	Nov-14	YTD 2015	YTD 2014
Bonuses			$22,767,373.43	$4,506,046.30
Hectares			61285.48	26175.20
Average Price per Hectare (Cdn$)	#DIV/0!		$371.50	$172.15

Source: Alberta Energy

Alberta Rig Activity



October	Drilling Nov 27, 2015	Up or Down Compared to the Previous Week	WTI ($/bbl)
Alberta	119	11	$ 40.63
Saskatchewan	33	6	
British Columbia	29		
Canada	184	18	

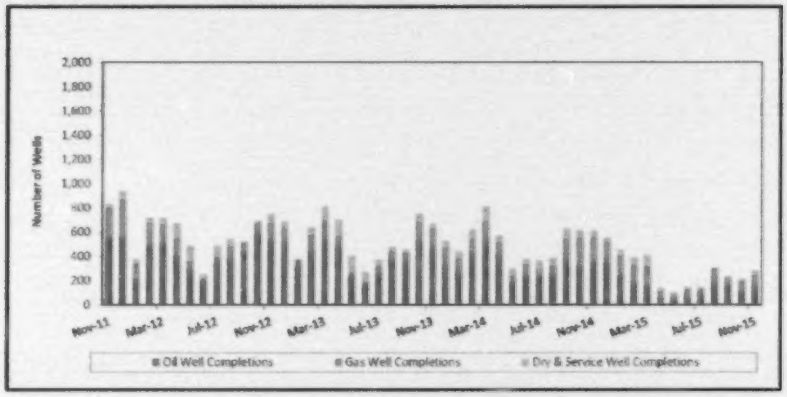
Source: Baker Hughes

Canadian rig activity was up 18 at 184 for the week of November 27, 2015 and is 254 (58.0%) lower than last year. The number of rigs drilling for oil was up 14 at 81 and is 148 (64.6%) lower than last year.

Gas directed rig count at 103 was up 4 and is 106 rigs (50.7%) lower than last year.

Canadian drilling falls rapidly in the spring to avoid environmental damage moving drilling equipment during the spring thaw and rainy season. With large weather related seasonal swings, even year-over-year comparisons can lead to incorrect conclusions.

Alberta Well Completions



There were 285 wells completed in November 2015, down 54% from the 613 wells completed in November 2014.

Well completions from January to November 2015 totalled 2,828, including 1,434 oil completions (down 61% from 3,632 in the same period a year ago), and 990 gas completions (down 26% from 1,337 in the same period in 2014).

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2011	Oil Wells	226	353	650	419	602	209	105	451	1030	626	559	568	5,798
	Gas Wells	145	294	974	472	196	124	43	183	356	259	243	299	3,588
	Dry & Service	42	127	222	112	160	100	97	94	145	19	32	73	1,223
2012	Oil Wells	215	489	516	405	296	205	348	380	447	588	533	523	4,945
	Gas Wells	131	181	146	141	62	12	46	98	65	81	137	110	1,210
	Dry & Service	35	48	55	126	128	37	94	63	12	23	80	59	760
2013	Oil Wells	313	449	544	481	230	179	263	394	357	528	463	333	4,534
	Gas Wells	59	124	149	91	47	14	59	46	72	153	164	139	1,117
	Dry & Service	9	67	119	129	66	79	51	34	29	72	44	58	757
2014	Oil Wells	280	427	520	418	188	240	245	257	389	314	354	348	3,980
	Gas Wells	105	119	166	94	54	94	52	63	154	239	197	161	1,498
	Dry & Service	57	80	126	62	63	45	70	69	85	65	62	42	826
2015	Oil Wells	239	194	147	57	34	75	80	189	154	113	152		1,434
	Gas Wells	166	134	166	52	42	45	44	108	65	75	93		990
	Dry & Service	46	60	94	32	25	31	21	13	15	27	40		404

Source: JuneWarren-Nickle's Energy Group